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THE WHITE HOUSE

REMARKS OF THE PRESIDENT AND QUESTION AND ANSWER SESSION WITH THE INLAND DAILY PRESS ASSOCIATION

THE EAST ROOM

5:07 P.M. EST

THE PRESIDENT: Mr. Roth, Mr. Brown, Mr. Boykin, members of the Inland Press and guests:

It is awfully nice to have you here in the East Room of the White House. I remember very vividly my opportunity to get together with all of you in 1974 in Denver. As I recall, we used at that time much the same format as we are anticipating this afternoon, a very limited comment by me followed by questions from all of you.

It is not my birthday today (laughter) but I did get a fairly good present in the last 24 hours.

So, with those very general and not very consequential observations, I will be glad to answer any questions. Don't be so shy. (Laughter)

QUESTION: Can you tell us what your reactions are to your rather narrow victory?

THE PRESIDENT: I naturally was very pleased. I went to bed about 11:30 last night and woke up at 5:30, the usual time, and I turned the radio on and the news was very good. I think we really mounted an effective campaign, starting about three weeks ago.

The first trip to New Hampshire was, I think, very effective, culminating in a tremendous meeting with the students at the University of New Hampshire, which was a highlight, actually, of that weekend, and then we had an excellent trip down to Florida, and that momentum started to build up, and then we had a very favorable meeting in New Hampshire, in Keene and Dover, last weekend.

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Of course, the good economic news of the last three weeks -- the employment up, unemployment down, the Wholesale Price Index and the Consumer Price Index, plus the other developments -- all started the momentum going.

I can't help but comment, though. Some of those who didn't do so well yesterday seemed to be satisfied with second. (Laughter) I never knew of any political campaign where running second was very beneficial.

But, we are very happy, and we expect to keep going, and with the momentum we have I am confident we will end up in Kaneas City with a good victory and will end on November 2 with a bigger one.

Yes, sir.

QUESTION: Mr. President, have you given any consideration to who you would like to be candidate for Vice President?

THE PRESIDENT: I mentioned a number of them a week or two ago. I hesitate to add to or subtract from that list. I got in enough trouble just suggesting a number of the potentials that we have. (Laughter)

I happen to believe the Republican Party at the Federal, as well as the State, level has a great wealth of potential Vice Presidential candidates and, therefore, I don't want to preclude anybody from getting in the ball game and working with me to unify the Republican Party and present a good team in the general election.

QUESTION: Mr. President?

THE PRESIDENT: Yes, sir.

QUESTION: There seems to have been some speculation that Mr. Nixon's trip to China has in fact had a dampening effect on your votes. Do you have any comment on that?

THE PRESIDENT: I have seen what others have said. I hesitate to evaluate the impact, good or bad, on the election yesterday. My general impression is that there was a minimal impact, but others differ with that, and we will try to assess it as we look at the final results.

Yes, sir.

QUESTION: Will you or someone from your staff meet with Mr. Nixon when he returns from China?

THE PRESIDENT: As has been indicated, if Mr. Nixon, when he gets back, feels there is something significant that ought to be conveyed to the Administration, we expect that it will be given to the Administration through the Department of State, but we will wait until he gets back and let him indicate whether there is something significant that he would like to convey to us.

Yes, sir.

QUESTION: Is there any kind of public works bill that the Congress might pass that you would feel you would be able to sign?

THE PRESIDENT: The bill I have indicated I would support is one that the Secretary of HUD, Carla Hills, has worked on with Senator Griffin and Congressman Brown. It would provide roughly \$740 million as an add-on to the community development appropriation bill.

The community development program is a program of about \$3 billion 300 million that goes to municipalities and other units of Government to cover what used to be urban development, model cities and five other programs.

We think this is a better answer than some typical public works program because the cities and other local units of Government are ready right now. It is a going program, and if the Congress would go along with that, I think that is the best way to answer the employment problem as quickly as possible.

We are working to see if the Congress won't accept that proposal, and although I hesitate to add to the budget, I think in the spirit of compromise we would go along with that approach of adding about \$740 million because it is the quickest and the best way to get jobs at the local level.

Yes, sir.

QUESTION: Mr. President, today you announced the leadership to the United Nations. Does that signify or signal any rough change in our policy there?

THE PRESIDENT: Not at all. Bill Scranton will carry out my policies, my policies where those that Pat Moynihan carried out, so the switch from Moynihan to Scranton will not in any way whatsoever change our policies.

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As I said this morning, at the time I made the announcement of Bill Scranton's nomination, we are stronger at the United Nations today than we have been for a good many years. It started when Secretary Kissinger made a presentation to the Seventh Special Session of the United Nations last fall, followed by Ambassador Moynihan's actions and speeches in the United Nations since January of this year.

Bill Scranton will carry out those policies, which I think have been very effective.

I don't want it all to be on the left side here. (Laughter)

QUESTION: Mr. President, most of the unsuccessful candidates in New Hampshire were promising full employment. Do you promise full employment and, if not, in light of the improvement in the economic climate, what are your terms for substantial employment?

• THE PRESIDENT: I promise substantially increased employment without the ravages of inflation. I believe the policies we are pursuing at the present time will result in a continuous downward trend in the cost of living. I believe it will also provide for increased employment opportunities primarily in the private sector where five out of the six jobs in this country exist.

I think anyone who promises overnight, quick-fix, full employment isn't being candid with the American people, and I think the American people are smarter than anybody who is campaigning for an elective office who says, "You elect me and I will turn a switch and all of you will have jobs."

I think the American people know that can't happen. They are, in my opinion, very hungry for frankness and the proper approach then is to tell them the facts and, if they are told the facts, they will understand that we have to have a firm, constructive policy in the employment - inflation area that will bring meaningful jobs, permanent jobs with an opportunity for advancement and a a continuous, effective campaign against inflation.

Yes, sir.

QUESTION: Mr. President, when you came into office you indicated that one of your main goals was to restore public faith in the Office of the Presidency. Considering the statistics and the polls, do you feel the Presidency has been restored to its former confidence?

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THE PRESIDENT: Any poll we have seen where they break down what you like and don't like about President Ford and the other candidates, every poll that gives an individual the opportunity to say, "Do you think President Ford is honest," et cetera, we do very well.

So, if that is the criteria, I think we have restored honesty and frankness and straightforwardness to the White House.

Yes, sir.

QUESTION: Mr. President, as a keen political analyst, would you care to comment on the results of the Democratic primary in New Hampshire?

THE PRESIDENT: It looks like a horse race to me. (Laughter) I am not a gambling man, but I still think when they get all through these girations, Hubert will probably be the nominee. I have said that for over a year, and I think the odds are getting better and better.

Yes, sir.

QUESTION: Mr. President, it was obvious, or it seemed obvious to me, from your veto of that so-called job creation bill that you didn't think that that was a very serious -- even though it was a very grandiose -- scheme.

Now, there are some real fundamental schemes, as the Chinaman says about the journey that begins with a single, simple step, such as doing something about the minimum wage so that our youngsters of all shapes and backgrounds can expect to undertake jobs in the private sector where they perhaps are not working at the starting wage that they normally have to be put under.

Is anything being done, for instance, to clean up the natural gas and the fuel oil and gasoline prices that are holding down jobs in that sector where there are literally thousands of jobs, or is anything being done about Mr. Burns' suggestion that perhaps unemployment compensation for many people has become a way of life, instead of cutting off at some point that would spur people to leave the old gold mine and look for a new one?

THE PRESIDENT: Let me answer the one concerning youth employment as it relates to the minimum wage. When I was in the House of Representatives, we went through periodically the struggle to achieve what was called a youth differential.

I always supported a youth differential because I think it is very important to get good work habits established with the young people and employer needs to have some incentive to employ a young person who is inexperienced, who has virtually no expertise in the particular job. Unfortunately, we never did as well in that area in getting that kind of an amendment to the legislation. I still believe in it and I hope the Congress, if and when they pass any changes in the Fair Labor Standards Act, that they will include a youth differential proposal that is very meaningful.

In the area of deregulation of natural gas and the stimulation of greater domestic production of oil, we fought very hard, both in the Senate as well as in the House, to get a permanent deregulation of natural gas and, somewhat reluctantly, I signed this energy bill that was put on my desk last December.

The one that I signed was a step forward. It eventually, over a period of 40 months, will result in deregulation of prices as far as fuel oil is concerned.

The Congress in both cases is very reluctant to pass legislation that would really in any way in 1976 increase prices. It is a very short-sighted point of view because all it means is that we will be delayed one or two years, maybe longer, and it will result in greater and greater reliance on foreign oil. It would be far better if we used our own natural gas, our own supplies of crude oil here in the United States.

So until we can get the Congress to move, certainly in deregulation of gas, and until we can get some forward movement under the present energy bill, I don't think you are going to see any great stimulation of domestic production in either gas or in oil.

The third point --

QUESTION: How about Mr. Burns' statement that the unemployment has gone on so long that for some people it is a way of life and they don't go out and look for a job?

THE PRESIDENT: Well, I was very encouraged in the report that came to my desk yesterday that new applications for unemployment were down. The total number of people on covered unemployment were down, so I think we are gradually working out of that heavy burden of unemployment. And with the figures we got two weeks ago, I am confident that the economy is coming back so that problem will be resolved.

Yes, sir.

QUESTION: Mr. President, on the Community Development Program, I wrote down 15,000 people who last year were decimated by tornadoes, who lost half of their goods. We probably don't have unemployment and the ghetto problems of great cities, and we find we don't qualify for a lot of the Federal aid that might be coming through this program.

I was wondering if you have given that any consideration, that smaller towns don't qualify for big city aid?

THE PRESIDENT: In the legislation I was discussing a moment ago, in the \$740 million program under the Community Development Act, 25 percent of that money was allocated to communities under 50,000. So I am sure that a community such as the one you describe would be eligible for help and assistance.

Yes, sir.

QUESTION: What were some of the major issues developed in the New Hampshire primary?

THE PRESIDENT: What are some of the major issues developed in the primary?

I think one of the major issues was the very definite difference in my approach and in former Governor Reagan's approach on how we would get local responsibility to handle the problems that exist in the whole United States at the local level.

My approach is one of taking Federal money, giving it to the States and to the local communities and letting them make the decisions as to how that money should be spent. And Governor Reagan's proposal is to take away the Federal funds and tell the States and local units of government that, if they want to solve the problems, they have to take additional tax money at either the State or the local level.

I think the approach that we recommended is the preferable one and I think it was a factor in the election in New Hampshire.

There were some other issues where we got into some differences on how there should be a financing of the Social Security program, how it should be managed, the trust fund. But I really think the fiscal issue and the delivery of services to the local people was rather significant.

Yes, ma'am.

QUESTION: I would like to commend you for letting Betty speak her mind. (Laughter)

THE PRESIDENT: I knew when I married her she would. (Laughter) So she hasn't changed and I don't think she will, and I am real proud that her polls are better than mine. (Laughter)

QUESTION: I would like to know how is she doing, being on the campaign trail without you in the State of Florida?

THE PRESIDENT: I talked to her last night about midnight and she said she had a good day in Jacksonville. She enjoys the opportunity to get out and participate. Half of the trip is nonpolitical and half of it is political. She enjoys it and she is a big help and assist. So I don't have to urge her.

Yes, sir.

QUESTION: Mr. President, in the area of detente, your critics at home say that it is all our give and their take. Certainly the leadership of China believes this. Russian expansionism is at the highest peak it has ever been and as we see what they have done in Angola through supplies and help with Cuban manpower, it seems that their point is right.

I would like to know -- I did feel that we aren't getting anything out of it and they end up getting everything.

THE PRESIDENT: First, I categorically deny that in our relations with the Soviet Union they have benefited more than we. That is just totally inaccurate.

If we are going to talk about Angola, the blame should not be laid at the White House. The blame should be laid at Capitol Hill because I strongly said that we had to meet the challenge without U.S. military personnel in Angola.

I signed a necessary document that said we would use certain amounts of money to provide arms to the FNLA and to the UNITA forces -- two out of the three forces in Angola. With the release of that money those two forces were beating the MPLA. Until the Congress said no, the forces we were supporting were prevailing.

But the minute the Congress said no, and we couldn't provide our allies with what they needed, then the Soviet Union and Cuba won. It is just that simple. That is not a fault of the Administration or the Executive Branch. The Congress just failed to stand up and do what they should have done. So there can't be any blame of the Executive Branch in failing to challenge the Soviet Union. The Congress bugged out. That is just what it amounted to.

So I can assure you, whether it is in Angola or any place else, we are going to meet forthrightly the challenge of any nation that has aggressive interests beyond what we think are reasonable and fair. We challenged them in Angola, but we were precluded from doing what was necessary.

I hope the Congress, if it happens again, will have a different attitude. And if they will, I think we can prevent expansionism any place throughout the world, as I think we should.

What really worries me -- and I was talking to a very astute person this morning about this -- if you will refresh your memory you will recall in the 1930s when Mussolini went into Ethopia and the allies did nothing, absolutely nothing, that was the invitation for further aggression, whether it was in Africa in that instance or elsewhere.

Now I am not saying Angola is identical, but it has enough similarity that we ought to look in past history and learn from it. And I hope the Congress recognizes that every time we fail to act where aggression is obvious, it just invites a greater action someplace else.

We are going to meet the challenge unless the Congress continues to handcuff us.

Let me assure you if we sign the SALT agreement, it will be an agreement in our interest in world peace; it will be a good, two-way, Yankee trader agreement, nothing more, nothing less.

QUESTION: Thank you very much.

THE PRESIDENT: Thank you all.

END (AT 5:32 P.M. EST)